



JAMES A. NOYES, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"Enriching Lives"*

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IN REPLY PLEASE

REFER TO FILE: **PJ-2**

December 4, 2003

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**MARTIN LUTHER KING, JR./DREW MEDICAL CENTER  
WOMEN'S HEALTH CENTER OF EXCELLENCE  
APPROVE REVISED PROJECT BUDGET  
APPROVE CONSTRUCTION CHANGE ORDER  
AWARD SUPPLEMENTAL AGREEMENT  
SPECS. 6580; C.P. 86522  
SUPERVISORIAL DISTRICT 2  
4 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER AND  
THE DIRECTOR OF HEALTH SERVICES THAT YOUR BOARD:**

1. Approve an increase of \$195,786 to the project budget for a revised total of \$1,529,348 detailed in Enclosure A.
2. Approve and instruct the Director of Public Works to execute Change Order 1 to Contract PW-12713 with AWI Builders, Inc., to provide for various electrical changes to the Martin Luther King, Jr./Drew Medical Center Women's Health Center of Excellence for a not to exceed fee of \$51,000.
3. Award and authorize the Director of Public Works to execute Supplemental Agreement 5 to Contract PW-12442 with PBWS Architects, to provide additional architectural/engineering services for the

Martin Luther King, Jr./Drew Medical Center Women's Health Center of Excellence for a not to exceed fee of \$30,000.

### **PURPOSE/JUSTIFICATION FOR RECOMMENDED ACTION**

Approving the recommended actions will authorize payment for corrective actions required to address unforeseen conditions that were discovered when existing walls and ceilings were demolished within the project area on the second floor of the Trauma Center building, in preparation for the new construction of the Women's Health Center of Excellence at the Martin Luther King, Jr./Drew Medical Center.

On August 5, 2003, your Board authorized Public Works to execute a contract with AWI Builders, Inc., to construct tenant improvements for the Women's Health Center of Excellence. The project involves reconfiguring approximately 8,300 square feet of the 30,200-square-foot second floor of the Trauma Center. During demolition work, several existing electrical and mechanical conditions were encountered that must be brought up to current building code before the renovation work can proceed. Examples of these conditions include electrical junction boxes located within fire rated walls, and inadequate bracing and anchoring of existing HVAC ductwork as a result of existing wall supports being removed through demolition.

Upon discovery of these conditions, extensive investigations of the proposed project area were conducted by Public Works and the design team, and appropriate corrective actions were developed. The architect/engineer, PBWS, has developed code-compliant solutions and obtained OSHPD approval.

In order to conduct the detailed field investigations and prepare design solutions for the conditions within the 8,300 square feet of the second floor in a timely manner, Supplemental Agreement 4 to PBWS' design contract was issued by Public Works to reallocate \$20,000 from its construction administration allotment into its design services allotment. Approval of the recommended actions will restore the \$20,000 that were transferred from the construction administration category. In addition, we recommend an additional \$10,000 to cover the cost of design services to conduct electrical field investigations within the remaining 21,900 square feet of the second floor and prepare code-compliant electrical design solutions. Supplemental Agreement 5 for \$30,000 will allow these services to proceed.

To minimize project delay and its attendant additional costs caused by the discovery of these unforeseen conditions, Public Works issued Proceed Orders totaling \$145,000 to the contractor, AWI Builders, to expedite the required field investigations and to correct

the unforeseen conditions as required. These Proceed Orders authorized the contractor to incur costs of up to \$145,000, which is nearly all of Public Works' delegated authority for change orders under the contract (\$145,478). Such Proceed Orders are authorized by the contract when there is a need to immediately authorize work prior to a final determination of the scope and/or cost of that work.

The requested budget increase of \$195,786 will provide additional funds to restore the construction change order allowance. The budget increase will also fund OSHPD permit fees and additional County services for this corrective action.

### **Construction Change Order**

The proposed \$51,000 Change Order 1 includes corrective actions for the existing electrical conditions, which must be completed before the tenant improvement work can proceed.

These corrections were included as part of the work authorized by the Proceed Orders. By requesting your Board's approval of this Change Order rather than authorizing the Change Order under Public Works delegated authority, the amount of this Change Order will remain available to Public Works for minor change orders under delegated authority, which may be necessary in the future.

### **Implementation of Strategic Plan Goals**

These actions are consistent with the County's Strategic Plan Goal of Service Excellence by improving access to comprehensive health care services for women, the Goal of Fiscal Responsibility by investing in public health infrastructure, and the Goal of Children and Families' Well-Being by coordinating and integrating services for children and families across functional boundaries. Construction of this project will provide a state-of-the-art health facility for the residents of the County of Los Angeles.

### **Consistency with Health Services System Redesign**

This project meets Health Services' Strategic Goal of Enhancing the Health of the Residents of Los Angeles County in an operational and efficient manner by consolidating a wide range of women's services at one location to improve patient access to quality health care services. These services will be provided with no additional programmatic cost to Health Services and will not alter the facility commitment of reducing costs as part of Health Services System Redesign.

### **FISCAL IMPACT/FINANCING**

The total project cost, including construction, plans and specifications, consultant services, permits and fees, and County services, is currently estimated at \$1,529,348, which represents an increase of \$195,786 over the \$1,333,562 previously authorized by your Board on August 5, 2003. Sufficient appropriation is available in the Fiscal Year 2003-04 Capital Projects Budget (C.P. 86522) to fund the revised project budget. Project costs will be fully offset by surplus bond proceeds from the Trauma Center financing issue and by \$96,000 allocated from the Second Supervisorial District Extraordinary Maintenance Discretionary Funds transferred to the Capital Project/Refurbishment Budget. The Project Schedule and Budget Summary are shown in Enclosure A.

The current year appropriation also includes \$553,000 in appropriation for the acquisition of equipment to support the Women's Health Center operation. The \$553,000 represents the unexpended portion of \$904,000 in Second Supervisorial District Extraordinary Maintenance Discretionary Funds specified for this purpose as approved by your Board on November 13, 2001. The Chief Administrative Office will return to your Board with an appropriation adjustment that transfers the \$553,000 to Health Services' Operating Budget following verification of the Women's Health Center equipment needs.

### **Operating Budget Impact**

As previously indicated to your Board on August 5, 2003, sufficient funding is included in the Fiscal Year 2003-04 Health Services' Operating Budget to provide the services planned for the Women's Health Center. Services, supplies, and relocation cost will be absorbed in the current operating budget. The Southwest Cluster Budget includes funding of approximately \$3,400 for relocation costs as well as \$3,640,000 for ongoing operating costs, which consist of \$3,145,000 for salaries and employee benefits and \$495,000 for services and supplies.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

A standard supplemental agreement, in the form previously approved by County Counsel, will be used. The existing consultant services agreement includes the standard Board-directed clauses that provide for contract termination, renegotiation, hiring qualified displaced County employees, and consideration of Greater Avenues for Independence Program/General Relief Opportunity for Work participants for future employment.

The project completion date was delayed two months, from March to May 2003, to accommodate the additional construction, design, jurisdictional approval process, and review elements to correct existing unforeseen conditions.

### **ENVIRONMENTAL DOCUMENTATION**

On April 8, 2003, your Board found this project categorically exempt under the California Environmental Quality Act. The corrective changes required to comply with current codes are within the scope of the exemption and require no additional environmental analysis.

### **CONTRACTING PROCESS**

#### **Construction**

On August 5, 2003, your Board awarded a construction contract for the construction tenant improvements for the Women's Health Center of Excellence at the Martin Luther King, Jr./Drew Medical Center to AWI Builders, Inc., for \$581,911. The recommended Change Order 1 will increase the value of the construction contract from \$581,911 to \$632,911.

#### **Architect/Engineer**

On November 13, 2001, your Board authorized Public Works to award a consultant services agreement to PBWS for a not to exceed fee of \$182,000 to provide design services for tenant improvements for the Women's Health Center of Excellence located on the second floor of the Martin Luther King, Jr./Drew Medical Center Trauma Center facility.

Public Works, under delegated authority, executed four supplemental agreements for a total not to exceed fee of \$36,460. On October 21, 2003, a no-cost Supplemental Agreement 4 was executed under delegated authority to reallocate \$20,000 within the contract at no increase to the contract amount. Supplemental Agreement 5 includes \$10,000 to provide additional design services consisting of a site survey and report with photos and narrative of the existing conditions within the remaining 21,900-square-foot area of the second floor and \$20,000 for construction administration services. This will increase the total contract amount for PBWS to \$248,460.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The basement and ground floor of the Trauma Center are currently operational. The work to complete the second floor will be performed in a manner that will minimize the disruption of services in the basement and on the ground floor. The project specifications require the contractor to coordinate its construction schedule with the facility's staff to minimize disruption of services.

**CONCLUSION**

Please return one adopted copy of this letter to the Chief Administrative Office (Capital Projects), Health Services, and Public Works.

Respectfully submitted,

JAMES A. NOYES  
Director of Public Works

DAVID E. JANSSEN  
Chief Administrative Officer

THOMAS L. GARTHWAITE, M.D.  
Director of Health Services

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Enc.

cc: County Counsel  
Department of Public Social Services (GAIN/GROW Program)

December 4, 2003

**ENCLOSURE**

**MARTIN LUTHER KING, JR./DREW MEDICAL CENTER  
WOMEN'S HEALTH CENTER OF EXCELLENCE  
APPROVE REVISED PROJECT BUDGET  
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**I. PROJECT SCHEDULE**

<b>Project Activity</b>	<b>Scheduled Completion Date</b>	<b>Revised Completion Date</b>	<b>Actual Completion Date</b>
Construction Documents	10/15/02		10/15/02
Jurisdictional Approvals	03/06/03		03/06/03
Advertise for Bids	04/08/03		04/08/03
Award Construction Contract	07/29/03		08/05/03
Construction Substantial Completion	01/05/04	03/05/04	
Acceptance of Project	03/18/04	05/18/04	

## II. PROJECT BUDGET

Budget Category	Current Project Budget	Revision to Budget Under Delegated Authority	Impact of this Action	Revised Project Budget
Construction				
Base Contract	\$ 581,911	\$ 145,000	\$ 0	\$ 726,911
Change Order Allowance	58,191	(58,000)	51,286	51,477
Subtotal	\$ 640,102	\$ 87,000	\$ 51,286	\$ 778,388
Equipment	\$ 0	\$ 0	\$ 0	\$ 0
Plans and Specifications				
Basic Services	\$ 183,060	\$ 20,000	\$ 10,000	\$ 213,060
Construction Administration	35,400	(20,000)	20,000	35,400
Subtotal	\$ 218,460	\$ 0	\$ 30,000	\$ 248,460
Consultant Services	\$ 150,000	\$ 0	\$ 0	\$ 150,000
Permits and Fees	\$ 20,000	\$ 0	\$ 1,500	\$ 21,500
County Services	\$ 305,000	\$ (87,000)	\$ 113,000	\$ 331,000
<b>TOTAL</b>	<b>\$1,333,562</b>	<b>\$ 0</b>	<b>\$ 195,786</b>	<b>\$ 1,529,348</b>